

**UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION**

WELLS FARGO EQUIPMENT FINANCE, INC.,))	
)	Case No.:
Plaintiff,)	
)	Claim amount: \$155,214.00, plus
ARROW FREIGHT, INC. and)	prejudgment interest at the rate of
NIKOLA ZARIC,)	12% per annum, and attorneys' fees
)	and costs
Defendants.)	

COMPLAINT

NOW COMES Plaintiff WELLS FARGO EQUIPMENT FINANCE, INC. (“Wells Fargo”), by and through its counsel, and for its Complaint against Defendants ARROW FREIGHT, INC. (“Arrow”) and NIKOLA ZARIC (“Zaric”) (collectively, the Defendants”), states as follows:

PARTIES

1. Wells Fargo is a Minnesota corporation with its principal place of business at 733 Marquette Avenue, Suite 700, Minneapolis, MN 55402.
2. Arrow is an Indiana corporation with its principal place of business at 1325 W. Irving Park Road, Bensenville, IL 60106.
3. Zaric is a citizen of the State of Illinois residing at 3831 Ruby St., Apt. 414, Schiller Park, IL 60176.

JURISDICTION

4. Jurisdiction is appropriate in this Court pursuant to 28 U.S.C. § 1332, as the parties are citizens of different states and the amount in controversy exceeds \$75,000.00, exclusive of interest and costs.

5. Venue is appropriate in this Court pursuant to 28 U.S.C. § 1391, because a substantial part of the events or omissions giving rise to Wells Fargo's claims occurred in this district, and the Defendants all reside in this district.

BACKGROUND

6. On or about August 24, 2012, Wells Fargo, as lessor, and Arrow, as lessee, entered into Trailer Lease No. XXX032 (the "Master Lease"), which contemplated the parties entering into separate lease schedules for the lease of equipment. A true and correct copy of the Master Lease is attached hereto as Exhibit 1.

7. To induce Wells Fargo to enter into the Master Lease, Zaric personally guaranteed Arrow's obligations under the Master Lease and any subsequent contracts pursuant to a Continuing Guaranty (the "Guaranty"). A true and correct copy of the Guaranty is attached hereto as Exhibit 2.

8. On or about August 24, 2012, Wells Fargo, as lessor, and Arrow, as lessee, entered into Supplement No. XXX032-100 (the "First Supplement") pursuant to the Master Lease, for the lease of equipment more specifically set forth therein. A true and correct copy of the First Supplement is attached hereto as Exhibit 3.

9. On or about March 11, 2013, Wells Fargo, as lessor, and Arrow, as lessee, entered into Supplement No. XXX032-101 (the "Second Supplement") pursuant to the Master Lease, for

the lease of equipment more specifically set forth therein. A true and correct copy of the Second Supplement is attached hereto as Exhibit 4.

10. On or about November 18, 2013, Wells Fargo, as lessor, and Arrow, as lessee, entered into Supplement No. XXX032-102 (the “Third Supplement”) pursuant to the Master Lease, for the lease of equipment more specifically set forth therein. A true and correct copy of the Third Supplement is attached hereto as Exhibit 5.

11. Arrow failed to make the payments due under the Master Lease, First Supplement, Second Supplement and Third Supplement (collectively, the “Leases”).

12. Zaric failed to make payments under the Guaranty.

13. Failure to make timely payments is an Event of Default under the Leases and Guaranty. *See* Exhibit 1, ¶ 17; Exhibit 2.

14. Upon the occurrence of an Event of Default, Wells Fargo is entitled to seek the balance owed under the Leases, return of the equipment leased under the Leases, repossession costs for the equipment, prejudgment interest of twelve (12%) per annum, and attorney’s fees and court costs. *See* Exhibit 1, ¶ 18.

15. Wells Fargo fully performed its obligations under the Leases and Guaranty.

16. The remaining balance due to Wells Fargo under the First Supplement is \$13,398.50; the remaining balance due to Wells Fargo under the Second Supplement is \$42,988.25; and the remaining balance due to Wells Fargo under the Third Supplement is \$98,827.25.

17. The total remaining balance due to Wells Fargo under the Leases and Guaranty is

\$155,214.00, plus prejudgment interest at the rate of twelve percent (12%) per annum, plus attorneys' fees and costs.

**COUNT I - BREACH OF CONTRACT
AGAINST ARROW FREIGHT, INC.**

18. Wells Fargo re-alleges and re-asserts Paragraphs 1 through 17 of its Complaint as though fully set forth herein.

19. Arrow defaulted under the Leases by failing and refusing to make payments when due. Therefore, Arrow is indebted to Wells Fargo in the amount of \$155,214.00 under the Leases, plus prejudgment interest at the rate of twelve percent (12%) per annum, plus attorneys' fees and costs.

WHEREFORE, Plaintiff WELLS FARGO EQUIPMENT FINANCE, INC. respectfully requests that the Court enter judgment in its favor and against Defendant ARROW FREIGHT, INC. in the amount of \$155,214.00, plus prejudgment interest at the rate of twelve percent (12%) per annum, plus attorneys' fees and costs, as well as all other such relief which this Court deems just.

COUNT II – BREACH OF GUARANTY AGAINST NIKOLA ZARIC

20. Wells Fargo re-alleges and re-asserts Paragraphs 1 through 19 of its Complaint as though fully set forth herein.

21. Zaric defaulted under the Guaranty by failing and refusing to make payments when due. Therefore, Zaric is indebted to Wells Fargo in the amount of \$155,214.00 under the Guaranty, plus prejudgment interest at the rate of twelve percent (12%) per annum, plus attorneys' fees and costs.

WHEREFORE, Plaintiff WELLS FARGO EQUIPMENT FINANCE, INC. respectfully requests that the Court enter judgment in its favor and against Defendant NIKOLA ZARIC in the amount of \$155,214.00, plus prejudgment interest at the rate of twelve percent (12%) per annum, plus attorneys' fees and costs, as well as all other such relief which this Court deems just.

WELLS FARGO EQUIPMENT FINANCE, INC.,

By: /s/ Debra Devassy Babu

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